

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

INVESTMENT BANKER MONTHLY FEE STATEMENT COVER SHEET
FOR THE PERIOD AUGUST 1, 2020 THROUGH AUGUST 31, 2020

In re RTW Retailwinds, Inc., *et al.*,¹

Applicant: B. Riley FBR, Inc.

Case No. 20-18445 (JKS)

Client: Debtors and Debtors in Possession

Chapter 11

Cases Filed: July 13, 2020

COMPLETION AND SIGNING OF THIS FORM CONSTITUTES A CERTIFICATION
UNDER PENALTY OF PERJURY PURSUANT TO 28 U.S.C. § 1746.

RETENTION ORDER ATTACHED.

<u>/s/ Perry Mandarino</u>	<u>9/16/2020</u>
PERRY MANDARINO	Date

¹ The Debtors in these chapter 11 cases and the last four digits of each Debtor's federal tax identification number, as applicable, are as follows: RTW Retailwinds, Inc. (1445); Lerner New York Holding, Inc. (2460); Lernco, Inc. (4787); Lerner New York, Inc. (2137); New York & Company, Inc. (4569); Lerner New York GC, LLC (6095); Lerner New York Outlet, LLC (6617); New York & Company Stores, Inc. (6483); FTF GC, LLC (7341); Lerner New York FTF, LLC (6279); Fashion to Figure, LLC (6997); FTF IP Company, Inc. (6936). The Debtors' principal place of business is 330 W. 34th St., 9th Floor, New York, New York 10001.

<p style="text-align: center;">SECTION I FEE SUMMARY</p>
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Summary of Amounts Requested for the Period
August 1, 2020 through August 31, 2020 (the “**Compensation Period**”)

Fee Total	\$50,000.00
Disbursement Total	\$0.00
Total Fees Plus Disbursements	\$50,000.00

Summary of Amounts Requested for Previous Periods

Total Previous Fees and Expenses Requested:	\$50,000.00
Total Fees and Expenses Allowed to Date:	\$0.00
Total Retainer Remaining:	\$0.00
Total Holdback:	\$10,000.00
Total Received by Applicant:	\$40,000.00

Name of Professional and Title	Hours	Rate	Fee
Perry Mandarino Senior Managing Director	52.50	N/A	N/A
Gideon Rosenbaum Director	74.50	N/A	N/A
Dominic Riley Associate	61.00	N/A	N/A
TOTALS	188.00	n/a	\$50,000²

² Pursuant to the *Order Approving Debtors' Application for Entry of an Order Under 11 U.S.C. §§ 327(a) and 328 Authorizing the Employment and Retention of B. Riley FBR, Inc. as Investment Banker* [Doc. No. 164] (the "**Retention Order**"), B. Riley FBR, Inc. ("**BRFBR**") is authorized to be compensated based upon a flat fee arrangement of \$50,000 per month. In addition, the Retention Order provides that "BRFBR shall be excused from the requirement to maintain or provide time records for services rendered, and providing or conforming to any time cards or schedule of hourly rates."

**SECTION II
SUMMARY OF SERVICES**

Services Rendered	Hours	Fee
Asset Analysis	0.00	\$0.00
Asset/Business Disposition	188.00	\$50,000
Assumption and Rejection of Leases and Contracts	0.00	\$0.00
Preference Actions/Response	0.00	\$0.00
Budgeting (Case)	0.00	\$0.00
Business Operations	0.00	\$0.00
Case Administration	0.00	\$0.00
Claims Administration and Objections	0.00	\$0.00
Corporate Governance and Board Matters	0.00	\$0.00
Employee Benefits/Pensions	0.00	\$0.00
Fee Application Preparation	0.00	\$0.00
Fee Employment	0.00	\$0.00
Fee Objections	0.00	\$0.00
Financing	0.00	\$0.00
Lien Review	0.00	\$0.00
Litigation	0.00	\$0.00
Meetings of Creditors	0.00	\$0.00
Disclosure Statement	0.00	\$0.00
Plan of Reorganization	0.00	\$0.00
Real Estate	0.00	\$0.00
Relief from Stay	0.00	\$0.00
Reporting	0.00	\$0.00
Tax Issues	0.00	\$0.00
Valuation	0.00	\$0.00
Non-Working Travel	0.00	\$0.00
SERVICES TOTALS	188.00	\$50,000.00

**SECTION III
SUMMARY OF DISBURSEMENTS**

Disbursements	Amount
Computer Assisted Legal Research	\$0.00
Facsimile	\$0.00
Long Distance Telephone/Conference Calls	\$0.00
In-House Reproduction	\$0.00
Outside Reproduction	\$0.00
Outside Research	\$0.00
Filing/Court Fees	\$0.00
Court Reporting	\$0.00
Travel	\$0.00
Courier & Express Carriers	\$0.00
Postage	\$0.00
Other (Explain)	\$0.00
DISBURSEMENTS TOTAL	\$0.00

**SECTION IV
CASE HISTORY**

- (1) Date cases filed: July 13, 2020
- (2) Chapter under which case commenced: Chapter 11
- (3) Date of retention: August 5, 2020, *nunc pro tunc* to July 13, 2020. See **Exhibit A**.

If limit on number of hours or other limitations to retention, set forth: n/a
- (4) Summarize in brief the benefits to the estate and attach supplements as needed:³
 - (a) Maintained widespread marketing efforts of the Debtor's e-commerce and omni-channel operations
 - (b) Facilitated in multiple management presentations and fulfilling diligence requests for interested buyers
 - (c) Negotiated indications of interest and enterprise value with prospective buyers
 - (d) Held auction for substantially all the assets of the e-commerce business
- (5) Anticipated distribution to creditors:
 - (a) Administration expense: Unknown at this time.
 - (b) Secured creditors: Unknown at this time.
 - (c) Priority creditors: Unknown at this time.
 - (d) General unsecured creditors: Unknown at this time.
- (6) Final disposition of case and percentage of dividend paid to creditors: Final dividend percentages are unknown at this time.

³ The following summary is intended to highlight the general categories of services the Applicant rendered on behalf of the Debtors and for the benefit of their estates; it is not intended to itemize each and every professional service which the Applicant performed.

Exhibit A

Retention Order



Order Filed on August 8, 2020
by Clerk
U.S. Bankruptcy Court
District of New Jersey

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)
COLE SCHOTZ P.C.

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*Proposed Attorneys for Debtors
and Debtors in Possession*

In re:

RTW RETAILWINDS, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 20-18445 (JKS)

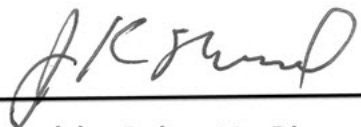
Joint Administration Requested

Hearing Date and Time:
August 7, 2020, at 10:00 a.m. (ET)

**ADMINISTRATIVE FEE ORDER ESTABLISHING PROCEDURES
FOR THE ALLOWANCE AND PAYMENT OF INTERIM
COMPENSATION AND REIMBURSEMENT OF EXPENSES OF
PROFESSIONALS RETAINED BY ORDER OF THIS COURT**

The relief set forth on the following pages, numbered two (2) through five (5), is hereby
ORDERED.

DATED: August 8, 2020



Honorable John K. Sherwood
United States Bankruptcy Court

¹ The Debtors in these chapter 11 c
number, as applicable, are as follows: RTW Retailwinds, Inc. (1445); Lerner New York Holding, Inc. (2460);
Lernco, Inc. (4787); Lerner New York, Inc. (2137); New York & Company, Inc. (4569); Lerner New York GC,
LLC (6095); Lerner New York Outlet, LLC (6617); New York & Company Stores, Inc. (6483); FTF GC, LLC
(7341); Lerner New York FTF, LLC (6279); Fashion to Figure, LLC (6997); FTF IP Company, Inc. (6936). The
Debtors' principal place of business is 330 W. 34th St., 9th Floor, New York, New York 10001.

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Debtors: RTW RETAILWINDS, INC., *et al.*
Case No. 20-18445 (JKS)
Caption of Order: ADMINISTRATIVE FEE ORDER ESTABLISHING CERTAIN
PROCEDURES FOR ALLOWANCE AND PAYMENT OF INTERIM
COMPENSATION AND REIMBURSEMENT OF EXPENSES OF
PROFESSIONALS RETAINED BY ORDER OF THIS COURT

Upon the motion (the “**Motion**”)² of RTW Retailwinds, Inc. and its subsidiaries, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), pursuant to sections 105(a) and 331 of the Bankruptcy Code and Local Rule 2016-3, for entry of an administrative order establishing procedures for the allowance and payment of interim compensation and reimbursement of expenses of certain professionals retained by Order of this Court; and the Court having jurisdiction to decide the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157(a)-(b) and 1334(b) and the *Standing Order of Reference to the Bankruptcy Court Under Title 11* of the United States District Court for the District of New Jersey, dated September 18, 2012 (Simandle, C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion having been given as provided in the Motion, and such notice having been adequate and appropriate under the circumstances; and it appearing that no other or further notice of the Motion need be provided; and the Court having held a hearing to consider the relief requested in the Motion (the “**Hearing**”); and upon the *Declaration of Robert Shapiro in Support of Debtors’ Chapter 11 Petitions and First Day Pleadings*, the record of the Hearing, and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their respective estates and creditors, and all parties-in-interest, and that the legal and factual bases set forth in the Motion establish

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

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Debtors: RTW RETAILWINDS, INC., *et al.*
Case No. 20-18445 (JKS)
Caption of Order: ADMINISTRATIVE FEE ORDER ESTABLISHING CERTAIN
PROCEDURES FOR ALLOWANCE AND PAYMENT OF INTERIM
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PROFESSIONALS RETAINED BY ORDER OF THIS COURT

just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** as set forth herein.

2. Except as may otherwise be provided in Court orders authorizing the retention of specific Professionals, all Professionals retained in this case pursuant to section 327 and, to the extent applicable, sections 328(a) and 1103 of the Bankruptcy Code, may seek monthly compensation in accordance with the following procedures (the “**Compensation Procedures**”):

(a) Monthly fee statements.

- (1) Not later than the 25th day of the month following the month for which compensation is sought, each Professional seeking compensation under the administrative fee order must file and serve, by electronic transmission, hand delivery, or overnight delivery, or by any means directed by the Court, a monthly fee and expense statement on the following parties:
- i. Robert Shapiro, as Chief Restructuring Officer for the Debtors;
 - ii. Cole Schotz P.C., as Debtors’ counsel;
 - iii. counsel for any Committee;
 - iv. the United States Trustee for Region 3;
 - v. counsel for the administrative agent under the Debtors’ pre-petition revolving credit facility, Wells Fargo Bank, National Association, c/o Daniel F. Fiorillo, Esq. and Chad B. Simon, Esq., Otterbourg P.C
 - vi. any party requesting notice of all proceedings; and

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Debtors: RTW RETAILWINDS, INC., *et al.*

Case No. 20-18445 (JKS)

Caption of Order: ADMINISTRATIVE FEE ORDER ESTABLISHING CERTAIN PROCEDURES FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS RETAINED BY ORDER OF THIS COURT

vii. any other party designated by the Court.

(2) A monthly fee statement must comply with Local Bankruptcy Rule 2016-1(a).

(b) Objections.

An objection to a monthly fee statement must be filed and served on the applicable Professional and the parties listed in subdivision (a)(1) not later than 14 days after service of the statement. The objection must set forth the nature of the objection and the amount of fees and expenses at issue. Grounds for objection include: (i) the Debtors' failure to timely file monthly operating reports; and (ii) the Debtors' failure to remain current with administrative expenses and fees under 28 U.S.C. § 1930.

(c) Payments.

- (1) On the expiration of the objection deadline under subdivision (b), a Professional may file and serve on the parties listed in subdivision (a)(1) Local Form Certification of No Objection or Local Form Certification of Partial Objection, and then receive 80% of the fees and 100% of the expenses not subject to an objection. A Professional may seek authorization as part of its next interim or final fee application to receive the remaining 20% of fees not subject to an objection.
- (2) If the parties resolve an objection and if the applicable Professional files and serves on the parties listed in subdivision (a)(1) a statement indicating that the objection is withdrawn and describing the terms of the resolution, the Debtors may pay in accordance with subdivision (c)(1) that portion of the monthly fee statement which is no longer subject to an objection.
- (3) If the parties are unable to resolve an objection not later than 14 days after the deadline for filing an objection under subdivision (b), the Professional may either (i) file a response to the objection together with a request for payment of the fees and expenses to which the objection applies; or (ii) forgo payment of those fees and expenses

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Debtors: RTW RETAILWINDS, INC., *et al.*

Case No. 20-18445 (JKS)

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until the next interim or final fee application or another date directed by the court.

(d) Fee applications.

- (1) A Professional who has received monthly payments under the administrative fee order must, at four month intervals or such other intervals directed by the Court, file and serve on the parties listed in subdivision (a)(1) an interim application under § 331 of the Bankruptcy Code for allowance of the compensation and reimbursement of the expenses sought in the monthly statements issued during the applicable period.
- (2) The interim fee application must include a summary of the monthly fee statements that are the subject of the request and any other information requested by the Court.

3. The Debtors shall include all payments to Professionals on their monthly operating reports, detailed so as to state the amount paid to each Professional.

4. Time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

5. All fees and expenses paid to Professionals are subject to disgorgement until such time as they are allowed pursuant to a final Order of this Court.

6. The Debtors are authorized to take all action necessary to carry out this Order.

7. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.